

Remarks

The Office Action mailed July 12, 2005 and made final has been carefully reviewed and the foregoing amendment has been made in consequence thereof.

Claims 1-29 and 31-59 are pending in this application. Claims 1-29 and 31-59 stand rejected. Claim 30 has been cancelled.

In accordance with 37 C.F.R. §1.136(a), a one-month extension of time is submitted herewith to extend the due date of the response to the Office Action dated July 12, 2005 and made final, for the above-identified patent application from October 12, 2005, through and including November 12, 2005. In accordance with 37 C.F.R. §1.17(a)(3), authorization to charge a deposit account in the amount of \$120.00 to cover this extension of time request also is submitted herewith.

The rejection of Claim 59 under 35 U.S.C. § 112, second paragraph, is respectfully traversed. Applicants respectfully submit that Claim 59 satisfies section 112, second paragraph. More specifically, Applicants respectfully submit that Claim 59 is definite and particularly points out and distinctly claims the subject matter of the invention. The Office Action asserts that “it is unclear how underwriting in a full cash manner is used to generate a full value table and how underwriting in a partial cash manner is used to generate a partial value table”. Applicants traverse this assertion. Applicants, however, submit that Claim 59 has been amended to recite “wherein underwriting in a full cash manner includes underwriting assets backed with cash or a tradable commodity having a full cash value, and wherein underwriting in a partial cash manner includes underwriting assets having a discounted value assigned thereto”. Accordingly, Applicants submit that Claim 59 satisfies section 112, second paragraph. For at least the reasons set forth above, Applicants respectfully request that the rejection of Claim 59 under 35 U.S.C. § 112, second paragraph, be withdrawn.

The rejection of Claims 1-29 and 31-59 under 35 U.S.C. § 103(a) as being unpatentable over Marpe et al. (U.S. Patent No. 6,671,693) (“Marpe”) and Hartnett (U.S. Patent No. 6,112,188) is respectfully traversed.

Applicants respectfully submit that neither Marpe nor Hartnett, considered alone or in combination, describe or suggest the claimed invention. As discussed below, at least one of the differences between the cited references and the present invention is that no combination of Marpe and Hartnett describe or suggest a method that includes accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually and collectively by *segmenting the portfolio of assets into three valuation portions* and by *underwriting each asset individually included within a first portion of the asset portfolio* to calculate a value of each asset included within the first portion of the portfolio wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated an investment return for the asset based on the analysis. (Emphasis added.)

Moreover, no combination of Marpe and Hartnett describe or suggest a method that includes accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually and collectively by *segmenting the portfolio of assets into three valuation portions* and by *grouping and underwriting a sample of assets included within a second portion of the asset portfolio* to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets. (Emphasis added.)

Furthermore, no combination of Marpe and Hartnett describe or suggest a method that includes accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually and collectively by *segmenting the portfolio of assets into three valuation portions* and by using the computer to *statistically infer a value for assets included within a third portion of the asset portfolio* using an iterative process including grouping the assets included within the third portion of the portfolio into clusters based on underwriting values and variances of the first and second portions of the portfolio. (Emphasis added.)

Additionally, no combination of Marpe and Hartnett describe or suggest accumulating such knowledge, storing the accumulated knowledge in a data repository, accessing the accumulated knowledge in the data repository from prior due diligence exercises, applying the accumulated knowledge from past due diligence exercises to the current due diligence exercise,

and storing newly accumulated knowledge from the current due diligence exercise into the data repository of accumulated knowledge.

Marpe describes collecting and disseminating information which is retrieved from multiple users in a plurality of categories. Access is provided to the data via an interface which lists the data categories. The user can subscribe to a data category and access the data category. In other words, Marpe describes information being retrieved from a plurality of categories.

Hartnett describes a process of privatization of state-owned property that is directed to countries looking to transfer state-owned property to privately-owned property. According to Hartnett, each enterprise to be privatized is to undergo a process that includes preparing a privatization business plan. The privatization business plan is reviewed by a Privatization Board. Once approved, an effective privatization date is established. On the effective privatization date, the enterprise begins to execute its privatization business plan. In accordance with the plans laid out in the privatization business plan, the enterprise begins restructuring. When the enterprise leadership has reason to believe that the goal for demonopolization set in the privatization business plan has been met, then the enterprise may submit an application for certification of demonopolization to the Privatization Board. The Privatization Board again has the options of approving, disapproving, or negotiating changes to the application. When an application for certification of demonopolization has been approved, then the Privatization Board will establish an effective demonopolization date. On the effective demonopolization date, the compensation stock from the stock compensation plans initiated on the effective privatization date will vest. At this point privatization may be considered complete.

Hartnett further describes how the tasks of privatization are divided among two (2) computerized tools which are to be used to implement privatization. The tasks are divided into substantially two groups: planning tasks and transactional tasks. Planning tasks are supported by a tool known as PRIVATIZATION PLANNER.TM, which enables the establishment of policy, the formulation of plans, the setting of goals and dates, and the customization of the tools for supporting the transactional tasks. The transactional tasks are supported by a tool known as PRIVATIZE!.TM, which permits the economic leadership of a country to process transactions

submitted by portfolio owners and delegates of portfolio owners concerning the enterprises owned, support enterprise polled shareholder voting and support auctions of other state property.

Claim 1 recites a method for collaborating on due diligence issues to affect efficient asset underwriting and process knowledge building within due diligence teams using a computer system coupled to a data repository, the method includes “accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually and collectively by segmenting the portfolio of assets into three valuation portions and by...underwriting each asset individually included within a first portion of the asset portfolio to calculate a value of each asset included within the first portion of the portfolio, wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with an investment return for the asset based on the analysis...grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets...and using the computer to statistically infer a value for assets included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters based on underwriting values and variances of the first and second portions of the portfolio...storing the accumulated knowledge in the data repository...accessing the stored, accumulated knowledge in the data repository from prior due diligence exercises...conducting a current due diligence exercise...applying the accumulated knowledge from past due diligence exercises to the current due diligence exercise...and storing newly accumulated knowledge from the current due diligence exercise into the data repository of accumulated knowledge.”

Although the Office Action suggests that Marpe discloses “a method, system and computer for collaborating on due diligence issues to affect efficient knowledge building within due diligence teams...said method comprising the steps of...accessing stored accumulated knowledge in a repository from prior due diligence exercises...conducting a current due diligence exercise...applying the accumulated knowledge from past due diligence exercises to the current due diligence exercises...and storing newly accumulated knowledge from the current due diligence exercise into the repository of accumulated knowledge,” Marpe does not describe

or suggest valuating assets in a portfolio individually and collectively by segmenting the portfolio of assets into three valuation portions.

In fact, the Office Action acknowledges at page 4 that Marpe does not teach “valuating assets in a portfolio individually and collectively by segmenting the portfolio of assets into three valuation portions and by underwriting each asset individually included within a first portion of the asset portfolio, grouping and underwriting a sample of assets included within a second portion of the asset portfolio, and using the computer to statistically infer a value for assets included within a third portion of the asset portfolio.”

However, the Office Action further asserts that Hartnett discloses “valuating assets in a portfolio individually and collectively by segmenting the portfolio of assets into three valuation portions and by underwriting each asset individually included within a first portion of the asset portfolio...grouping and underwriting a sample of assets included within a second portion of the asset portfolio...and using the computer to statistically infer a value for assets included within a third portion of the asset portfolio.” Applicants traverse this assertion and will address each recitation hereinbelow.

Applicants respectfully submit that Hartnett does not describe or teach *underwriting each asset individually included within a first portion of the asset portfolio* to calculate a value of each asset included within the first portion of the portfolio wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with an investment return for the asset based on the analysis. (Emphasis added.) The Office Action asserts that Hartnett describes at col. 27, lines 25-32 “underwriting each asset individually included within a first portion of the asset portfolio”. However, col. 27, lines 25-32 of Hartnett provides as follows:

Other assets contemplated as being traded in accordance with the PRIVATIZE!.TM. (a new system to achieve universal privatization) embodiment of this aspect of the invention include stock or debt in specific enterprises, debt of governments or financial institutions, foreign currency, price level adjusted mortgages, in addition to flexibly specified annuities which are keyed to standardized actuarial tables and priced according to their implicit interest rate.

This section of Hartnett does not describe underwriting each asset individually within a first portion of an asset portfolio. Rather, it merely describes that the Hartnett process contemplates trading several different types of assets. Hartnett does not describe or teach *underwriting each asset individually included within a first portion of the asset portfolio* to calculate a value of each asset included within the first portion of the portfolio wherein *underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with an investment return for the asset based on the analysis.* (Emphasis added.)

In fact, Hartnett teaches away from the concept of underwriting each asset individually included within an asset portfolio. Specifically, Hartnett provides at col. 26, lines 45-64 that:

PRIVATIZE!.TM. (a new system to achieve universal privatization) is a computerized tool to support free markets in newly democratic nations. The tool is capable of implementing any privatization policy chosen by government policy makers, and in particular includes a capability to support distribution of shares in large state enterprises to an entire citizenry. *Universal distribution of at least a portion of public assets, such as large state enterprises, can completely avoid the need to value such assets prior to privatization.* This is advantageous in developing economies without any adequate means of achieving such valuations. *It is also advantageous in and applicable to developed economies because it can avoid the large absolute inefficiency associated with even a modest relative underwriting valuation error.* Legislation or a decree can vest in each citizen privatization rights in the form of Stock Market Units (SMUs). SMUs are a way to aggregate rights to equity in state enterprises into a current private asset, by defining a new financial instrument composed of one share in each enterprise due to be privatized over a fixed interval. (Emphasis added.)

In other words, one of the advantages of the Hartnett system is that universal distribution of at least a portion of public assets can completely avoid the need to value such assets prior to privatization. Accordingly, the Hartnett system does not require underwriting each asset individually included within an asset portfolio to calculate a value of each asset included within the portfolio.

Applicants further submit that Hartnett does not describe or teach *grouping and underwriting a sample of assets included within a second portion of the asset portfolio* to calculate a value of each asset included within the second portion of the portfolio based on the

underwritten sample assets. (Emphasis added.) The Office Action asserts that Hartnett describes at col. 25, lines 60-63 “grouping and underwriting a sample of assets included within a second portion of the asset portfolio”. However, col. 25, lines 56-63 of Hartnett provides as follows:

PRIVATIZATION PLANNER.TM. (a system to help plan for privatization) also provides an interface to a simulation of the PRIVATIZE!.TM. (a new system to achieve universal privatization) computerized marketplace, allowing users to simulate portfolio transactions and asset prices using the methods contained in the PRIVATIZE!.TM. (a new system to achieve universal privatization) tool.

Applicants respectfully submit that merely describing a system that allows users to simulate portfolio transactions and asset prices does not describe or teach *grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets*. (Emphasis added.)

In fact, Applicants respectfully submit that Hartnett does not describe, teach or even mention *grouping and underwriting a sample of assets* to calculate a value of each asset included within a portion of an asset portfolio.

Applicants further submit that Hartnett does not describe or teach using the computer to *statistically infer a value for assets included within a third portion of the asset portfolio* using an iterative process including grouping the assets included within the third portion of the portfolio into clusters based on underwriting values and variances of the first and second portions of the portfolio. (Emphasis added.) The Office Action asserts that Hartnett describes at col. 30, lines 22-28 statistically inferring a value for assets included within a third portion of an asset portfolio. However, col. 30, lines 22-28 of Hartnett provides as follows:

In a second pass, module PASS2 uses those approximate prices to value portfolio assets. Asset valuations are used to approximate the total amount of offers to lend to each entity, by maturity and interest rate. This information is made available to potential large borrowers to provide them with a brief opportunity to update their bids to borrow money, as expressed in appropriate ACQUIRE transactions.

Applicants respectfully submit that merely describing a system that uses approximate prices to value portfolio assets as discussed in Hartnett does not describe or teach *statistically inferring a*

value for assets included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters based on underwriting values and variances of the first and second portions of the portfolio.

(Emphasis added.) Accordingly, Applicants respectfully submit that Claim 1 is patentable over Marpe and Hartnett.

For at least the reasons as set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claim 1 be withdrawn.

Claims 2-12 depend from independent Claim 1 which is submitted to be in condition for allowance. When the recitations of Claims 2-12 are considered in combination with the recitations of Claim 1, Applicants submit that dependent Claims 2-12 are also patentable over Marpe and Hartnett.

Claim 13 recites a system for enabling a due diligence team collaborating on due diligence issues to obtain efficient knowledge building that includes at least one computer, and at least one server configured to “store accumulated knowledge in a data repository from prior due diligence exercises including data relating to valuating assets in a portfolio by...segmenting the portfolio of assets into three valuation portions...underwriting each asset included within a first portion of the asset portfolio to calculate a value of each asset included within the first portion of the portfolio, wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with an investment return for the asset based on the analysis...grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets...and statistically inferring a value for each asset included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters based on underwriting values and variances of the first and second portions of the portfolio...access the stored, accumulated knowledge in the data repository from prior due diligence exercises for a current due diligence exercise...apply the accumulated knowledge from past due diligence

exercises to the current due diligence exercise... and store newly accumulated knowledge from the current due diligence exercise into the data repository of accumulated knowledge.”

Claim 13, as herein amended, recites a system comprising, among other things, at least one server configured to perform steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 13 is patentable over the combination of Marpe and Hartnett for reasons that correspond to those given with respect to Claim 1.

For at least the reasons as set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claim 13 be withdrawn.

Claims 14-24 depend from independent Claim 13 which is submitted to be in condition for allowance. When the recitations of Claims 14-24 are considered in combination with the recitations of Claim 13, Applicants submit that dependent Claims 14-24 are also patentable over Marpe and Hartnett.

Claim 25 recites a computer configured to provide a due diligence team collaborating on due diligence issues with efficient knowledge building that is programmed to “accumulate knowledge from prior due diligence exercises including valuating assets in a portfolio individually by segmenting the portfolio of assets into three valuation portions and by...underwriting each asset included within a first portion of the asset portfolio to calculate a value of each asset included within the first portion of the portfolio, wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with an investment return for the asset based on the analysis...grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets...and statistically inferring a value and risk for each asset included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters based on underwriting values and variances of the first and second portions of the portfolio...store the accumulated knowledge in a data repository...access the stored,

accumulated knowledge in the data repository from prior due diligence exercises...conduct a current due diligence exercise...apply the accumulated knowledge from past due diligence exercises to the current due diligence exercise...and store newly accumulated knowledge from the current due diligence exercise into the data repository of accumulated knowledge.”

Claim 25, as herein amended, recites a computer programmed to perform steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 25 is patentable over the combination of Marpe and Hartnett for reasons that correspond to those given with respect to Claim 1.

For at least the reasons as set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claim 25 be withdrawn.

Claim 30 has been cancelled. Claims 26-29 and 31-36 depend from independent Claim 25 which is submitted to be in condition for allowance. When the recitations of Claims 26-29 and 31-36 are considered in combination with the recitations of Claim 25, Applicants submit that dependent Claims 26-29 and 31-36 are also patentable over Marpe and Hartnett.

Claim 37 recites a computer program embodied on a computer readable medium to provide a due diligence team collaborating on due diligence issues with efficient asset underwriting and process knowledge building, the computer program includes a code segment that “sets up a directory structure to organize information into a centralized database, wherein the information includes knowledge from prior due diligence exercises accumulated at least partially by valuating assets in a portfolio individually and collectively by...underwriting each asset included within a first portion of the asset portfolio to calculate a value of each asset included within the first portion of the portfolio, wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with an investment return for the asset based on the analysis...grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets...and statistically inferring a value and risk for

each asset included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters based on underwriting values and variances of the first and second portions of the portfolio...and provides users access to the information stored in the centralized database to facilitate decision making in response to an inquiry.”

Claim 37, as herein amended, recites a computer program embodied on a computer readable medium that is programmed to perform steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 37 is patentable over the combination of Marpe and Hartnett for reasons that correspond to those given with respect to Claim 1.

For at least the reasons as set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claim 37 be withdrawn.

Claims 38-46 depend, directly or indirectly, from independent Claim 37 which is submitted to be in condition for allowance. When the recitations of Claims 38-46 are considered in combination with the recitations of Claim 37, Applicants submit that dependent Claims 38-46 are also patentable over Marpe and Hartnett.

Claim 47 recites a computer program embodied on a computer readable medium for managing due diligence, the computer program is capable to be processed by a server system coupled to a centralized interactive database and at least one client system, wherein the computer program includes “a code segment that receives information including knowledge from prior due diligence exercises accumulated at least partially by valuating assets in a portfolio individually and collectively by...underwriting each asset included within a first portion of the asset portfolio to calculate a value of each asset included within the first portion of the portfolio, wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with an investment return for the asset based on the analysis...grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets...and

statistically inferring a value and risk for each asset included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters based on underwriting values and variances of the first and second portions of the portfolio...and a code segment that enters the information into a centralized database...a code segment that stores the information into the centralized database and cross-reference the information against unique identifiers...and a code segment that provides the information in response to an inquiry.”

Claim 47, as herein amended, recites a computer program embodied on a computer readable medium for managing due diligence that includes a code segment programmed to perform steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 47 is patentable over the combination of Marpe and Hartnett for reasons that correspond to those given with respect to Claim 1.

For at least the reasons as set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claim 47 be withdrawn.

Claims 48-55 depend, directly or indirectly, from independent Claim 47 which is submitted to be in condition for allowance. When the recitations of Claims 48-55 are considered in combination with the recitations of Claim 47, Applicants submit that dependent Claims 48-55 are also patentable over Marpe and Hartnett.

Claim 56 recites a centralized database that includes “data corresponding to various projects...data corresponding to flow maps identifying sources and uses of the information...data corresponding to financial models and business process tools...data corresponding to best practices...and data corresponding to valuation process and underwriting including knowledge from prior due diligence exercises accumulated at least partially by valuating assets in a portfolio individually and collectively by...underwriting each asset included within a first portion of the asset portfolio to calculate a value of each asset included within the first portion of the portfolio, wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a

confidence factor associated with an investment return for the asset based on the analysis...grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets...and statistically inferring a value and risk for each asset included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters based on underwriting values and variances of the first and second portions of the portfolio.”

Claim 56, as herein amended, recites a centralized database having data that is accumulated by performing steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 56 is patentable over the combination of Marpe and Hartnett for reasons that correspond to those given with respect to Claim 1.

For at least the reasons as set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claim 56 be withdrawn.

Claims 57 and 58 depend from independent Claim 56 which is submitted to be in condition for allowance. When the recitations of Claims 57 and 58 are considered in combination with the recitations of Claim 56, Applicants submit that dependent Claims 57 and 58 are also patentable over Marpe and Hartnett.

Claim 59 recites a method for collaborating on due diligence issues to affect efficient knowledge building within due diligence teams using a computer system coupled to a data repository, the method includes “accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually and collectively by segmenting the portfolio of assets into three valuation portions and by...fully underwriting each asset included within a first portion of the asset portfolio including underwriting in a full cash manner to generate a full value table, and underwriting in a partial cash manner to generate a partial value table, wherein underwriting in a full cash manner includes underwriting assets backed with cash or a tradable commodity having a full cash value, and wherein underwriting in a partial cash manner includes underwriting assets having a discounted value assigned thereto...grouping and underwriting a

sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets...and using the computer to statistically infer a value for each asset included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters based on data stored within the full value table and the partial value table, and underwriting values from the second portion of the portfolio...storing the accumulated knowledge in the data repository...accessing the stored, accumulated knowledge in the data repository from prior due diligence exercises...conducting a current due diligence exercise...applying the accumulated knowledge from past due diligence exercises to the current due diligence exercise...and storing newly accumulated knowledge from the current due diligence exercise into the data repository of accumulated knowledge.”

Neither Marpe nor Hartnett, considered alone or in combination, describe or suggest the method recited in Claim 59. More specifically, neither Marpe nor Hartnett, alone or in combination, describe or suggest a method that includes accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually and collectively by *segmenting the portfolio of assets into three valuation portions and by fully underwriting each asset included within a first portion of the asset portfolio including underwriting in a full cash manner to generate a full value table, and underwriting in a partial cash manner to generate a partial value table*, wherein underwriting in a full cash manner includes underwriting assets backed with cash or a tradable commodity having a full cash value, and wherein underwriting in a partial cash manner includes underwriting assets having a discounted value assigned thereto. (Emphasis added.)

Moreover, neither Marpe nor Hartnett, considered alone or in combination, describe or suggest a method that includes accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually and collectively by *segmenting the portfolio of assets into three valuation portions and by grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets*. (Emphasis added.)

Furthermore, neither Marpe nor Hartnett, considered alone or in combination, describe or suggest a method that includes accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually and collectively by *segmenting the portfolio of assets into three valuation portions and by using the computer to statistically infer a value for each asset included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters based on data stored within the full value table and the partial value table, and underwriting values from the second portion of the portfolio.* (Emphasis added.) Accordingly, Applicants respectfully submit that Claim 59 is patentable over Marpe and Hartnett.

For at least the reasons as set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claim 59 be withdrawn.

In addition, Applicants also respectfully submit that the Section 103 rejection of Claims 1-29 and 31-59 is not a proper rejection. Obviousness cannot be established by merely suggesting that it would have been obvious to one of ordinary skill in the art to modify Marpe using the teachings of Hartnett. More specifically, as is well established, obviousness cannot be established by combining the teachings of the cited art to produce the claimed invention, absent some teaching, suggestion, or incentive supporting the combinations. It is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious. Specifically, one cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention. Further, it is impermissible to pick and choose from any one reference only so much of it as will support a given position, to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art.

As the Federal Circuit has recognized, obviousness is not established merely by combining references having different individual elements of pending claims. Ex parte Levengood, 28 U.S.P.Q.2d 1300 (Bd. Pat. App. & Inter. 1993). MPEP 2143.01. Rather, there must be some suggestion, outside of Applicants' disclosure, in the prior art to combine such

references, and a reasonable expectation of success must be both found in the prior art, and not based on Applicants' disclosure. In re Vaeck, 20 U.S.P.Q.2d 1436 (Fed. Cir. 1991). In the present case, neither suggestion nor motivation to combine the prior art disclosures, nor any reasonable expectation of success has been shown.

Neither Marpe nor Hartnett, considered alone or in combination, describe or suggest the combination(s) in Claims 1-29 and 31-59. Rather, the Section 103 rejection of Claims 1-29 and 31-59 appears to be based on a combination of teachings selected from multiple patents in an attempt to arrive at the claimed invention. Specifically, Marpe describes a system for collecting and disseminating information, and Hartnett describes a process of privatization of state-owned property intended to be utilized by countries looking to transfer state-owned property to privately-owned property. Since there is neither teaching nor suggestion for the combination of Marpe and Hartnett, the Section 103 rejection appears to be based on a hindsight reconstruction in which isolated disclosures have been picked and chosen in an attempt to deprecate the present invention. Of course, such a combination is impermissible, and for this reason also, Applicants request that the Section 103 rejection of Claims 1-29 and 31-59 be withdrawn.

For at least the reasons set for above, Applicants respectfully request that the Section 103 rejection of Claims 1-29 and 31-59 be withdrawn.

In view of the foregoing amendments and remarks, all the claims now active in this application are believed to be in condition for allowance. Reconsideration and favorable action is respectfully solicited.

Respectfully Submitted,



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